Appellant's Brief on Appeal

U.S. Application Serial No. 09/887,629

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES

In re Application of

Bansal et al.

Serial No.: 09/887,629 Group Art Unit: 3691

Filed: June 22, 2001 Examiner: Olabode Akintola

For: ONLINE E-COMMERCE TRANSACTIONS INCORPORATING DETERMINATION OF END-TO-END COSTS

Honorable Commissioner of Patents Alexandria, Virginia 22313-1450

APPELLANTS' BRIEF ON APPEAL UNDER 35 U.S.C. §134(a)

Sir

Appellants respectfully appeal the decision of the Examiner in the final rejection of claims 1, 3-4, 8-9, 13-15, 37, 39-40, 44-45, and 49-51 in the Final Office Action mailed November 25, 2008.

I. STATEMENT OF THE REAL PARTY OF INTEREST

The real party of interest is IBM Corporation, assignee of 100% interest of the above-referenced patent application.

II. STATEMENT OF RELATED CASES

There are no other appeals or interferences known to Appellants, Appellants'

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legal representative or Assignee, which would directly affect or be directly affected by or have a bearing on the Board's decision on this appeal.

II. JURISDICTIONAL STATEMENT

The Board has jurisdiction under 35 U.S.C. 134(a). The Examiner mailed a Final Rejection on November 25, 2008, setting a three-month shortened statutory period for response. The time for responding to the Final Rejection expired on February 25, 2009. Rule 134. A Notice of Appeal was filed on February 25, 2009. The time for filing an Appeal Brief is two months after the filing of a Notice of Appeal. Bd.R. 41.37(c). The time for filing an Appeal Brief expired on April 25, 2009(being a Federal holiday). The Appeal Brief is being filed on April 20, 2009; therefore, this Appeal Brief is proper and is filed timely.

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V. TABLE OF AUTHORITIES

Not applicable.

VI. STATUS OF AMENDMENTS

An Amendment filed on May 20, 2008 was entered by the Examiner.

An Amendment filed on January 26, 2009 submitted claims 1, 3-4, 8-9, 13-15, 19, 21-22, 26-27, 31-33, 37, 39-40, 44-45, and 49-51 for consideration and canceled claims 19, 21-22, 26-27, and 31-33.

An Advisory Action, mailed 02/18/2009, considered the submitted claims of the Amendment filed on January 26, 2009.

VII. GROUNDS OF REJECTION TO BE REVIEWED

The rejection claims 1, 3-4, 8-9, 13-15, 19, 21-22, 26-27, 31-33, 37, 39-40, 44-45, and 49-51 under 35 U.S.C. 103(a) as unpatentable over U.S. Publication No. 2002/0016760 to Pathak, in view of "Web Sites Help Small Companies Open Internet Stores-- E-Business Service Providers Offer Inexpensive Way to Try Something New", by J. Tannenbaum, Wall Street Journal, NY April 25, 2000, hereinafter, Tannenbaum.

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VIII. STATEMENT OF FACTS

- 1. It is a fact that Pathak discloses, "... an efficient method for trading dissimilar products. A method and apparatus for implementing a mechanism by which a combination of products may be exchanged among market participants.

 The market participants use an online/computerized auction/bidding system to trade their products. For businesses trying to dispose products, this type of mechanism will result in higher revenue for the seller and at the same time satisfies the buyer. For businesses trying to acquire products, this type of mechanism will result in lowering the cost of procuring products and at the same time satisfies sellers." (Abstract).
- 2. It is a fact that Pathak discloses, "The standard ascending auction process involves users bidding for a particular product, and the product is sold to the highest bidder. The aim here is for the seller of the product to sell at the maximum price."

 (Paragraph [0009], lines 4-8).
- 3. It is a fact that Pathak discloses, "There is a variation of auction/bidding called the reverse auction. In this type of auction, a buyer posts his wish to buy or procure product or goods or services (this could be a Tender or Request for Proposal (RFP) or Request for Quote (RFQ). The sellers of the products then bid

for it. In this type of auction/bidding the price of the bid generally decreases during the time period of the auction/bidding process. The aim of the buyer here is to buy or procure products at the lowest price." (Paragraph [0010]).

- 4. It is a fact that Pathak discloses, "There is another variation of the auction/bidding process where the seller or buyer specifies a reserve price. In the case of the forward auction, the seller is going to sell the product only if the bid amount is greater than or equal to the reerve price otherwise the seller does not sell the product. In the case of reverse auction, the buyer wants to buy the product only if the bid amount of the seller is less than or equal to the reserve price otherwise the buyer does not want to buy the product." (Paragraph [0014]).
- 5. It is a fact that Pathak discloses, "In case of sellers selling items, the seller enters the items to be sold, the time the bidding process expires and any other information like shipping and handling costs, tax or any other cost associated with the trade. Buyers access the server data processing machine 104 and bid for the items. Once the bid is submitted, the server processing machine 104 communicates the information to the optimization program 105. The optimization program 105 then gathers all the data relevant to the data and starts processing to find the winning bids. The optimization program 105 updates the result into the database

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106." (Paragraph [0033]).

- 6. It is a fact that Pathak discloses, "In case of buyers procuring items, the buyer enters the items to be sold, the time the bidding process expires and any other information like shipping and handling costs, tax or any other cost associated with the trade. Sellers access the server data processing system 104 and bid for the items. Once the bid is submitted, the server processing system 104 communicates the information to the optimization program 105. The optimization program 105 then gathers all the data relevant to the data and starts processing to find the winning bids. The software program updates the result into the database 106." (Paragraph [0034]).
- 7. It is a fact that Pathak discloses in Example 1, "For example, assume that a business wants to sell off excess inventory. The inventory consists of m items. Item 1 in Q.sub.1 quantity, Item 2 in Q.sub.2 quantity and Item 3 in Q.sub.3... Item m in Q.sub.m quantity. The business is now asking for bids from potential buyers. This bid could be of any form like open-bid auction, sealed bid auction, dynamic bidding where market participants can update their bids real-time. Regardless of the type used, the seller is trying to maximize his revenue by selling the inventory. Once the bids are received, the seller has to decide which bids to accept. Assume

the seller receives following bids: Bid B.sub.1 offering an amount of P.sub.1 for items: Item 1 in Q.sub.1.sup.1 quantity, Item 2 in Q.sub.2.sup.1 quantity . . . Item m in Q.sub.m.sup.1 quantity. •• Bid B.sub.n offering an amount of P.sub.n for items: Item 1 in Q.sub.1.sup.n quantity, Item 2 in Q.sub.2.sup.n quantity . . . Item m in Q.sub.m.sup.n quantity. It should be noted that quantity bid for each individual item i can be anything from zero (0) to quantity (Q.sub.i) available for sale for that item. The seller wants to select bids that result in maximum revenue. This involves solving the following problem for: Maximize: P.sub.1*Y.sub.1+P.sub.2*Y.sub.2+ . . . P.sub.n*Y.sub.n Within Constraints:

Q.sub.1.sup.1+Q.sub.1.sup.2+Q.sub.1.sup.3+ . . . +Q.sub.1.sup.n<=Q.sub.- 1
Q.sub.2.sup.1+Q.sub.2.sup.2+Q.sub.2.sup.3+ . . . +Q.sub.2.sup.n<=Q.sub.- 2 ••
Q.sub.m.sup.1+Q.sub.m.sup.2+Q.sub.m.sup.3+ . . . +Q.sub.m.sup.n<=Q.sub.- m
Y.sub.1 either 0 or 1 Y.sub.2 either 0 or 1 •• Y.sub.n either 0 or 1

The above problem can be solved using any one of the optimization techniques like: linear programming, integer programming, domain reduction and constraint propagation, combinatorial optimization, genetic algorithms, simulated annealing or any other way for solving the problem that might be available. When for any n, if Yn is 1, it means the seller will select the bid n and Yn is zero (0) signifies that the

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bid n is not selected." (Paragraphs [0036]-[0050]).

- 8. It is a fact that Tannenbaum discloses, "Specialized Web sites that help little companies go online almost instantaneously and at very little charge are fiercely competing for the attention of small-business owners. Just as midwives can aid pregnant women, these Web sites increasingly help small businesses start online ventures. Besides hosting Web pages or arranging for hosting through a third party, they provide e-commerce tools and related services often without charge. The services, called e-business service providers, which began appearing about two years ago, are proliferating fast. Now there are more than a dozen sites, such as Bigstep.com ("Where e-business is everybody's business") and BizLand.com Inc. ("Imagine your success. We do."). (Abstract).
- 9. It is a fact that Tannenbaum discloses, "And the longevity of some service providers is a question. Most have yet to find a way to make money. They are spending heavily now in anticipation of finding a profitable angle later such as selling sufficient advertising to third parties or upgrading clients to paid services." (Ninth complete paragraph).

IX. ARGUMENT

- A. The rejection of claims 1, 3-4, 8-9, 13-15, 19, 21-22, 26-27, 31-33, 37, 39-40, 44-45 and 49-51 under 35 U.S.C. §103(a) over Pathak and Tannenbaum.
 - 1. Appellants' arguments with respect to Independent Claims 1 and 37.

[0001] The following paragraphs are numbered for ease of future reference. The Final Action states that in regard to independent claims 1, 19, and 37, Pathak teaches the claim elements of: "updating said online database of costs related to said first online bid and calculating a first bid's end-to-end costs related to said first online bid (sections 033); ... updating said online database of costs related to said second online bid and calculating a second bid's end-to-end costs related to said second online bid (sections 033)." (Final Office Action, mailed November 25, 2008, page 3, lines 3-7).

[0002] However, Appellants respectfully submit that paragraph [0033] of Pathak states, "In case of sellers selling items, the seller enters the items to be sold, the time the bidding process expires and any other information like shipping and handling costs, tax or any other cost associated with the trade. Buyers access the server data processing machine 104 and bid for the items." (Paragraph [0033], first two sentences). Although Pathak discloses that in the case of sellers selling items,

the seller may enter "any other information like shipping and handling costs, tax or another cost associated with the trade", nowhere does Pathak explicitly enter this any other information like shipping and handling costs, etc. to calculate a first bid's end-to-end costs related to the first online bid, as clearly described by the third claim element of independent claim 1 of the invention.

[0003] In fact, Pathak's examples 1 (paragraphs [0036]-[0050]) and 2 (paragraphs [0051]-[0076]) only mention prices, i.e., bids and offers, and amounts. Nowhere does Pathak explicitly disclose entering this any other information like shipping and handling costs, etc. to calculate a first bid's end-to-end costs related to the first online bid, as clearly described by the invention.

[0004] Instead, Pathak but discloses, "In case of sellers selling items, the seller enters the items to be sold, the time the bidding process expires and any other information like shipping and handling costs, tax or any other cost associated with the trade. Buyers access the server data processing machine 104 and bid for the items." (Paragraph [0033], first two sentences).

[0005] The present invention clearly describes the conventional manner in which costs, like shipping costs, are handled, i.e., "Most online markets handle physical delivery issues on a 'post-transaction' basis, i.e., the shipping costs (and

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other similar costs) are added to the base product price once the transaction (to buy or sell) is finalized to arrive at the total price for the buyer." (Pub. No. 2002-0198814, paragraph [0004]).

[0006] Pathak could just as easily be handling 'post-transaction' costs, i.e., shipping costs (and other similar costs) by adding these costs once the transaction is finalized, as in the conventional manner. In fact, Pathak is silent as to what he does with this information like shipping and handling costs. Applicants respectfully submit that it is but speculation on the part of the Examiner that these 'post-transaction' costs are used to calculate a first bid's end-to-end costs related to the first online bid, as clearly described by the third claim element of independent claims 1, 19, and 37 of the invention.

[0007] Similarly, Appellants respectfully submit <u>nowhere does Pathak</u>

<u>explicitly enter this any other information like shipping and handling costs, etc. to calculate a second bid's end-to-end costs related to the second online bid, as clearly described by the fifth claim element of independent claims 1 of the invention.</u>

[0008] Again, Pathak could just as easily be handling 'post-transaction' costs, i.e., shipping costs (and other similar costs) by adding these costs once the transaction is finalized, as in the conventional manner. In fact, Pathak is silent as to

what he does with this information like shipping and handling costs. Applicants respectfully submit that <u>it is but speculation on the part of the Office Action that</u> these 'post-transaction' costs are used to calculate a second bid's end-to-end costs related to the second online bid, as clearly described by the fifth claim element of independent claims 1 and 37 of the invention.

[0009] Appellants respectfully submit Tannenbaum does not cure the deficiencies of Pathak

- [0010] Appellants respectfully submit that nowhere does Tannenbaum disclose, teach or suggest at least the present invention's features of: "updating said online database of costs related to said first online bid and calculating a first bid's end-to-end costs related to said first online bid; ... updating said online database of costs related to said second online bid and calculating a second bid's end-to-end costs related to said second online bid", as recited in independent claims 1 and 37 of the invention.
- [0011] Instead, Tannenbaum merely discloses that e-commerce sites may be offered without charge.
- [0012] For at least the reasons outlined above, Appellants respectfully submit that Pathak and Tannenbaum, either individually or in combination, do not

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disclose, teach or suggest at least the present invention's features of: "updating said online database of costs related to said first online bid and calculating a first bid's end-to-end costs related to said first online bid; ... updating said online database of costs related to said second online bid and calculating a second bid's end-to-end costs related to said second online bid", as recited in independent claims 1 and 37. Accordingly, Pathak and Tannenbaum, either individually or in combination, fail to render obvious the subject matter of independent claims 1 and 37 under 35 U.S.C. §103(a). Withdrawal of the rejection of independent claims 1 and 37 under 35 U.S.C. §103(a) as unpatentable over Pathak and Tannenbaum is respectfully solicited.

2. Appellants' arguments with respect to Dependent Claims 3-4, 8-9, 13-15, 39-40, 44-45, and 49-50.

[0013] With respect to claims 3 and 39, the Final Action states, "Pathak teaches wherein said significant cost element includes any of shipping and handling costs, logistics management costs, taxes, finance costs, commissions, duties, insurance, regulatory and statutory-related costs, and information costs (section 0033)." (Final Office Action, mailed November 25, 2008, page 3, lines 18-20).

[0014] Appellants respectfully submit that although Parthak discloses, "In case of sellers selling items, the seller enters the items to be sold, the time the

bidding process expires and any other information like shipping and handling costs, tax or any other cost associated with the trade." (paragraph [0033]), Pathak does not explicitly disclose "logistics management costs, finance costs, commissions, duties, insurance, regulatory and statutory-related costs, and information costs", as claimed by dependent claims 3 and 39.

- [0015] With respect to claims 4 and 40, the Final Action states, "Pathak teaches wherein databases, which provide information for updating said online database of costs are associated with said offerer, said bidder or by a third party (section 0033, fig. 1)." (Final Office Action, mailed November 25, 2008, page 4, lines 1-3).
- [0016] Appellants respectfully submit that although Parthak discloses, "... the seller enters the items to be sold Buyers access the server data processing machine 104 and bid for the items." (Pathak [0033]), Pathak does not disclose updating an online database for a "third party", as claimed by claims 4 and 40.
- [0017] With respect to claims 8-9, 13-14, 44-45, and 49-50, the Final Action states, "Pathak teaches an online ascending and reverse auctions; minimum/maximum qualifying bid (abstract, sections 0009, 0010, 0014, 0033, claim 3 (f.iv-f.v and d), claim 6 (f.iv-f.v) and d)". (Final Office Action, mailed

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November 25, 2008, page 4, lines 4-6).

[0018] Appellants respectfully submit that although Parthak discloses, online ascending and reverse auctions, Pathak does not disclose: an ascending or reverse auction between an offerer and <u>at least two bidders</u>, as claimed in claims 8-9 and 44-45; and wherein information regarding a qualifying bid is sent to <u>a potential bidder</u>, as claimed in claims 13-14 and 49-50.

[0019] With respect to claims 15 and 51, the Final Action states, "Pathak teaches wherein updated offers are shown to potential bidders after online computation of said end to end cost (section 0013). (Final Office Action, mailed November 25, 2008, page 4, lines 3-7). (Final Office Action, mailed November 25, 2008, page 4, lines 7-8).

[0020] As argued above, although Pathak discloses that in the case of sellers selling items, the seller may enter "any other information like shipping and handling costs, tax or another cost associated with the trade", nowhere does Pathak explicitly enter this any other information like shipping and handling costs, etc. to calculate a first bid's end-to-end costs related to the first online bid, as clearly described by the third claim element of independent claim 1 of the invention.

[0021] Furthermore, as argued above with respect to independent claims 1

respectfully solicited.

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and 37, Pathak and Tannenbaum, either individually or in combination, do not disclose, teach or suggest at least the present invention's features of: "updating said online database of costs related to said first online bid and calculating a first bid's end-to-end costs related to said first online bid; ... updating said online database of costs related to said second online bid and calculating a second bid's end-to-end costs related to said second online bid", as recited in independent claims 1 and 37. Accordingly, Pathak and Tannenbaum, either individually or in combination, fail to render obvious the subject matter of independent claims 1 and 37, and dependent claims 3-4, 8-9, 13-15, 39-40, 44-45, and 49-50 under 35 U.S.C. §103(a). Withdrawal of the rejection of dependent claims 3-4, 8-9, 13-15, 39-40, 44-45, and 49-50 under 35 U.S.C. §103(a) as unpatentable over Pathak and Tannenbaum is

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X. CONCLUSION

In view of the foregoing, Appellant submits that claims 1, 3-4, 8-9, 13-15,

19, 21-22, 26-27, 31-33, 37, 39-40, 44-45 and 49-51, all of the claims presently

pending in the application, are patentably distinct over the prior art of record and

are in condition for allowance. Thus, the Board is respectfully requested to remove

the rejections of claims 1, 3-4, 8-9, 13-15, 19, 21-22, 26-27, 31-33, 37, 39-40, 44-

45 and 49-51.

The Commissioner is hereby authorized to charge any deficiency in fees or to

credit any overpayment in fees to Attorney's Deposit Account No. 09-0441.

Respectfully Submitted,

Date: April 20, 2009

/Peter A. Balnave/ Peter A. Balnave, Ph.D.

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APPENDIX

CLAIMS SECTION

 (Rejected) A method for enabling the online determination of end-to-end costs during an online ascending or reverse auction, said method comprising:

maintaining an online database of costs associated with each significant cost element in order to compute said end-to-end costs for goods and services offered by an offerer and bid upon by a bidder,

receiving a first online bid to buy or sell said offered goods and services from a first bidder

updating said online database of costs related to said first online bid and calculating a first bid's end-to-end costs related to said first online bid.

receiving a second online bid to buy or sell said offered goods and services from a second bidder.

updating said online database of costs related to said second online bid and calculating a second bid's end-to-end costs related to said second online bid,

if, in an ascending auction, said second bid's end-to-end costs result in a higher payout to said offerer than said first bid's end-to-end costs, then accepting said second bid, else accepting said first bid, and

if, in a reverse auction, said second bid's end-to-end costs result in a higher cost to said offerer than said first bid's end-to-end costs, then accepting said first bid, else accepting said second bid,

wherein said method is implemented by an online intermediary

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providing facilities as a service free of charge.

- (Canceled).
- 3. (Rejected) The method as claimed in claim 1, wherein said each significant cost element includes any of shipping and handling costs, logistics management costs, taxes, finance costs, commissions, duties, insurance, regulatory- and statutory-related costs, and information costs.
- 4. (Rejected) The method as claimed in claim 1, wherein databases, which provide information for updating said online database of costs, are associated with said offerer, said bidder, or by a third party.
- 5-7. (Canceled).
- 8. (Rejected) The method as claimed in claim 1, applied to online ascending auctions between an offerer and at least two bidders.
- 9. (Rejected) The method as claimed in claim 1, applied to online reverse auctions between an offerer and at least two bidders.
- 10-12. (Canceled).
- 13. (Rejected) The method as claimed in claim 8, wherein a minimum required

qualifying bid amount is communicated to a potential bidder in response to a request for information about current status of the auction.

- 14. (Rejected) The method as claimed in claim 9, wherein a maximum allowable offer amount is communicated to a potential bidder in response to a request for information about current status of the reverse auction
- 15. (Rejected) The method as claimed in claim 1, wherein updated offers are shown to potential bidders after online computation of said end-to-end costs.

16-36. (Canceled).

37. (Rejected) A storage device readable by machine, tangibly embodying a program of instructions executable by said machine to perform a method for enabling the online determination of end-to-end costs during an online ascending or reverse auction, said method comprising:

maintaining an online database of costs associated with each significant cost element in order to compute said end-to-end costs for goods and services offered by an offerer and bid upon by a bidder,

receiving a first online bid to buy or sell said offered goods and services from a first bidder.

updating said online database of costs related to said first online bid and calculating a first bid's end-to-end costs related to said first online bid.

receiving a second online bid to buy or sell said offered goods and services

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from a second bidder.

updating said online database of costs related to said second online bid and calculating a second bid's end-to-end costs related to said second online bid,

if, in an ascending auction, said second bid's end-to-end costs result in a higher payout to said offerer than said first bid's end-to-end costs, then accepting said second bid, else accepting said first bid, and

if, in a reverse auction, said second bid's end-to-end costs result in a higher cost to said offerer than said first bid's end-to-end costs, then accepting said first bid, else accepting said second bid,

wherein said method is implemented by an online intermediary providing facilities as a service free of charge.

38. (Canceled).

- 39. (Rejected) The program storage device as claimed in claim 37, wherein said each significant cost element includes any of shipping and handling costs, logistics management costs, taxes, finance costs, commissions, duties, insurance, regulatoryand statutory-related costs, and information costs.
- 40. (Rejected) The program storage device as claimed in claim 37, wherein databases, which provide information for updating said online database of costs, are associated with said offerer, said bidder, or by a third party.

41-43. (Canceled).

- 44. (Rejected) The program storage device as claimed in claim 37, configured for online ascending auctions between an offerer and at least two bidders.
- (Rejected) The program storage device as claimed in claim 37, configured for online reverse auctions between an offerer and at least two bidders.

46-48. (Canceled).

- 49. (Rejected) The program storage device as claimed in claim 44 including means for communicating a minimum required qualifying bid amount to a potential bidder in response to a request for information about current status of the auction.
- 50. (Rejected) The program storage device as claimed in claim 45 including means for communicating a maximum allowable offer amount to a potential bidder in response to a request for information about current status of the reverse auction.
- 51. (Rejected) The program storage device as claimed in claim 37, wherein updated offers are shown to potential bidders after online computation of said endto-end costs.

52-54. (Canceled).

APPENDIX

CLAIM SUPPORT AND DRAWING ANALYSIS SECTION

The following annotated claims help illustrate the features defined by the claims, but are not intended to be an exhaustive listing of the claimed features. Instead, the specification may contain many more examples of such claimed features. Thus, the following claims are not intended to be limited to or limited by the following brief annotations, which designate paragraphs from the Specification of the present invention according to the corresponding U.S. Patent Application Publication No. 2002/0198814.

 A method for enabling the online determination of end-to-end costs during an online ascending or reverse auction, said method comprising:

maintaining an online database of costs associated with each significant cost element in order to compute said end-to-end costs for goods and services offered by an offerer and bid upon by a bidder, {[0011], [0014], and [0092]; FIG.2}

receiving a first online bid to buy or sell said offered goods and services from a first bidder, {[0095]; FIG. 3}

updating said online database of costs related to said first online bid and calculating a first bid's end-to-end costs related to said first online bid, {[0011] and

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[0095]; FIG. 3}

receiving a second online bid to buy or sell said offered goods and services from a second bidder, {[0024] and [0025]; FIG. 3}

updating said online database of costs related to said second online bid and calculating a second bid's end-to-end costs related to said second online bid, {[0011] and [0095]; FIG. 3}

if, in an ascending auction, said second bid's end-to-end costs result in a higher payout to said offerer than said first bid's end-to-end costs, then accepting said second bid, else accepting said first bid, and {[0026] and [0109]; FIG. 4}

if, in a reverse auction, said second bid's end-to-end costs result in a higher cost to said offerer than said first bid's end-to-end costs, then accepting said first bid, else accepting said second bid, {[0027] and [0115]}

wherein said method is implemented by an online intermediary providing facilities as a service free of charge. {[0024] and [0089]; FIG. 1}

- 3. The method as claimed in claim 1, wherein said each significant cost element includes any of shipping and handling costs, logistics management costs, taxes, finance costs, commissions, duties, insurance, regulatory- and statutory-related costs, and information costs. {[0018], [0020], and [0097]-[0099]}
- 4. The method as claimed in claim 1, wherein databases, which provide information for updating said online database of costs, are associated with said offerer, said bidder, or by a third party. {{0019}}

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- The method as claimed in claim 1, applied to online ascending auctions between an offerer and at least two bidders. {[0024]; FIG. 1}
- 9. The method as claimed in claim 1, applied to online reverse auctions between an offerer and at least two bidders. {[0025]; FIG. 1}
- 13. The method as claimed in claim 8, wherein a minimum required qualifying bid amount is communicated to a potential bidder in response to a request for information about current status of the auction. {[0028]}
- 14. The method as claimed in claim 9, wherein a maximum allowable offer amount is communicated to a potential bidder in response to a request for information about current status of the reverse auction. {[0029}
- 15. The method as claimed in claim 1, wherein updated offers are shown to potential bidders after online computation of said end-to-end costs. {[0020]}
- 37. A storage device readable by machine, tangibly embodying a program of instructions executable by said machine to perform a method for enabling the online determination of end-to-end costs during an online ascending or reverse auction, said method comprising:

maintaining an online database of costs associated with each significant cost element in order to compute said end-to-end costs for goods and services offered by an offerer and bid upon by a bidder, {[0011], [0014], and [0092]; FIG. 2}

receiving a first online bid to buy or sell said offered goods and services from a first bidder, {[0095]; FIG. 3}

updating said online database of costs related to said first online bid and calculating a first bid's end-to-end costs related to said first online bid, {[0011] and [0095]; FIG. 3}

receiving a second online bid to buy or sell said offered goods and services from a second bidder, {[0024] and [0025], FIG. 3}

updating said online database of costs related to said second online bid and calculating a second bid's end-to-end costs related to said second online bid, {[0011] and [0095]: FIG. 3}

if, in an ascending auction, said second bid's end-to-end costs result in a higher payout to said offerer than said first bid's end-to-end costs, then accepting said second bid, else accepting said first bid, and {[0026] and [0109]; FIG. 4}

if, in a reverse auction, said second bid's end-to-end costs result in a higher cost to said offerer than said first bid's end-to-end costs, then accepting said first bid, else accepting said second bid, {[0027] and [0115]}

wherein said method is implemented by an online intermediary providing facilities as a service free of charge. {[0024] and [0089]; FIG. 1}

39. The program storage device as claimed in claim 37, wherein said each significant cost element includes any of shipping and handling costs, logistics management costs, taxes, finance costs, commissions, duties, insurance, regulatory-and statutory-related costs, and information costs. {[0018], [0020], and [0097]-[0099]}

- 40. The program storage device as claimed in claim 37, wherein databases, which provide information for updating said online database of costs, are associated with said offerer, said bidder, or by a third party. {[0019]}
- 44. The program storage device as claimed in claim 37, configured for online ascending auctions between an offerer and at least two bidders. {[0024]; FIG.1}
- 45. The program storage device as claimed in claim 37, configured for online reverse auctions between an offerer and at least two bidders. {[0025]; FIG.1}
- 49. The program storage device as claimed in claim 44 including means for communicating a minimum required qualifying bid amount to a potential bidder in response to a request for information about current status of the auction. **{[0028]}**
- 50. The program storage device as claimed in claim 45 including means for communicating <u>a</u> maximum allowable offer amount to a potential bidder in response to a request for information about current status of the reverse auction. {{0029}}
- 51. The program storage device as claimed in claim 37, wherein updated offers are shown to potential bidders after online computation of said end-to-end costs.
 {[0020]}

APPENDIX

MEANS OR STEP PLUS FUNCTION ANALYSIS SECTION

Not Applicable.

APPENDIX

EVIDENCE SECTION

Not applicable.

APPENDIX

RELATED CASES SECTION

Not applicable.